# Squire, Sanders & Dempsey

U. S. Offices: Cleveland, Ohio Columbus, Ohio Jacksonville, Florida Miami, Florida New York, New York Phoenix, Anizona

International Offices: Brussels, Belgium Budapest, Hungary London, England Prague, Ezech Republic Counsellors at Law Telephone: (202) 626-6600
1201 Pennsylvania Avenue, N.W. Cable Squine DC
Telecopies. (202) 626-6180 Washington, D. C. 20044-0407

October 2, 1996

Direct Dial Number (202) 626-6209

EX PARTE OR LATE FILED

By Hand

William F. Caton, Acting Secretary Federal Communications Commission 1919 M Street, N.W., Room 222 Washington, D.C. 20554

> Notice of Oral and Written Ex Parte Presentations; MM Docket No. 87-268 Re:

Dear Mr. Caton:

On October 1, 1996, representatives of the Consumer Electronics Manufacturers Association ("CEMA") met individually with James Coltharp, Jane Mago and David R. Siddall of the offices of Commissioners Quello, Chong and Ness, respectively, to discuss CEMA's position with regard to the ATSC Standard in the above-referenced proceeding. The information discussed during the meeting is contained in the Comments and Reply Comments filed July 11 and August 12, 1996 by CEMA's umbrella organization, the Electronic Industries Association, and the EIA Advanced Television Committee. CEMA also delivered the attached summary of its position at the meeting. Representing CEMA were Michael Petricone, CEMA's Deputy General Counsel, Paul G. Schomburg, of CEMA member-company Matsushita Electric Corporation of America, as well as David A. Nall and the undersigned of this office.

In accordance with Section 1.1206(a) of the Commission's rules, two copies of this notice and its attachment are being submitted for inclusion in the public record. Please contact me if you have any questions.

Sincerely,

Marc Berejka

James Coltharp cc: Jane Mago David R. Siddall

> No. of Copies recid LIGIABODE

## CONSUMER ELECTRONICS MANUFACTURERS ASSOCIATION

# • Adoption of the ATSC Standard is essential to achieving the goals of this proceeding.

Preserving free over-the-air broadcast television, while simultaneously expediting the transition to DTV, will require the continued use of a nationwide transmission standard. A nationwide standard will assure consumers not only that DTV will improve their viewing experience, but also that they still will be able to enjoy both universal access to television programming and the price-reducing benefits of a national market for television receivers.

Other consumer products (e.g., computers) are less dependent on standardization because they operate in a proprietary and often closed environment. Unlike free over-the-air broadcast television, computers and similar products do not depend upon a seamless national and local infrastructure.

Today's television receivers have attained 98 percent household penetration because standardization promotes universal access as well as economies of scale in receiver production. A nationwide transmission standard is critical to maintaining television's extraordinary penetration rate and to meeting the "high-end" and the "low-end" range of consumer demand for receivers. Computers and other consumer products can succeed in the marketplace without approximating television's penetration rate.

#### The ATSC Standard is the most flexible and interoperable DTV system in existence.

The ATSC process was open, and all industries participated in it.

The Standard meets computer needs. Objections to interlaced scanning are, at bottom, attempts to <u>limit</u> the Standard's flexibility in order to suit the parochial interests of the computer industry.

- As specifically requested by the computer industry, the Standard incorporates MPEG II compression and square pixels. Of the Standard's 18 formats, 14 use progressive scanning.
- DTV receivers will be able to display DTV programming whether it is transmitted in the progressive or the interlaced format. The Standard is a transmission, not a display, standard.
- Excluding interlaced scanning would leave no effective way to provide the highest resolution DTV format contained in the Standard.

## The ATSC Standard should be adopted as quickly as possible.

There is no reason to delay adopting this flexible and comprehensive standard achieved through a detailed process in which all major industry sectors were represented.

The decision on the Standard need not await a decision on digital allotments.

#### • What is at stake?

If the Standard is not adopted soon, investment will languish in the U.S. Moreover, a mixture of inferior foreign-developed standards will be deployed oversees, conflicting with U.S. trade objectives.

Failure to adopt the Standard will undermine consumer, broadcaster and manufacturer confidence in DTV and will risk crippling the transition to the new technology.